



## DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

### News Release

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GOVERNOR

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MR 2003-07

For Immediate Release: April 11, 2003

### **NEW MEDICAL PRIVACY LAW SHOULD NOT DISRUPT HAWAII WORKERS' COMPENSATION SYSTEM.**

**HONOLULU** - The Privacy Rules of the federal Health Insurance Portability and Accountability Act (HIPAA) will go into effect this Monday, April 14<sup>th</sup>. Hospitals and other health care providers will be required to follow strict requirements before releasing medical information on their patients. Sweeping changes are expected in the way health care providers release medical information.

However, the Director of the Labor and Industrial Relations says the law should not delay the processing and payments of workers' compensation claims. "The strict requirements of the law should not affect the workers' compensation system," said Director Nelson Befitel. "Therefore, we don't expect any major disruptions in the way we process workers' compensation claims." Befitel added that the law was not intended to impede the flow

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of medical information that is needed by employers, workers compensation insurance carriers, or State officials in order to process claims or coordinate care under our State's workers compensation system.

The Department issued an informational sheet explaining the new privacy law as it relates to the State workers' compensation system. Befitel said the Department received numerous inquiries from insurance carriers and health care providers on how the new privacy law will affect the Department's administration of workers' compensation claims. "The new privacy law has made a lot of people in the health and insurance industry feel a little uneasy," said Befitel. "We hope this informational sheet will clear their concerns so that the flow of medical information can continue in the workers' compensation system." The Department's informational sheet can be found at [www.dlir.state.hi.us](http://www.dlir.state.hi.us). Congress enacted HIPAA in 1996.

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